



**ASSOCIATION of  
GOVERNMENTS**

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**Riverside County Transportation Commission:** Robin Lowe, Hemet

**Ventura County Transportation Commission:** Keith Millhouse, Moorpark

559 05.09.06

## MEETING OF THE

# EXECUTIVE COMMITTEE

**Thursday, December 14, 2006  
8:00 a.m. – 9:00 a.m.**

**SCAG Offices  
818 West 7<sup>th</sup> Street, 12<sup>th</sup> Floor  
Conference Room Riverside B  
Los Angeles, CA 90017  
213.236.1800**

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Shelia Stewart at 213.236.1868 or [stewart@scag.ca.gov](mailto:stewart@scag.ca.gov)

Agendas and Minutes for the Executive Committee are also available at:

[www.scag.ca.gov/committees/ec.htm](http://www.scag.ca.gov/committees/ec.htm)

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# EXECUTIVE COMMITTEE

## AGENDA

PAGE #

TIME

*“Any item listed on the agenda (action or information) may be acted upon at the discretion of the committee”*

1.0 **CALL TO ORDER**

Hon. Yvonne  
Burke, Chair

2.0 **PUBLIC COMMENT PERIOD**

3.0 **DISCUSSION/ACTION ITEMS**

3.1 **Approval Items**

3.1.1 Minutes of November 2, 2006  
Meeting Attachment

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3.1.2 RHNA Pilot Program  
Legislative Language  
Attachment

Karen Tachiki,  
Chief Counsel

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3.1.3 RHNA Budget Report  
Attachment

Wayne Moore,  
CFO

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4.0 **PRESIDENT’S REPORT**

4.1 Policy Regarding Staff Communications  
Attachment

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5.0 **REVIEW OF REGIONAL COUNCIL AGENDA**

6.0 **EXECUTIVE DIRECTOR’S REPORT**

6.1 Executive Director’s Performance Agreement  
July 1, 2006 to June 30, 2007 Attachment

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7.0 **ADJOURNMENT**

The next meeting will be held on January 4, 2007 at SCAG offices in downtown Los Angeles.

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**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
MEETING OF THE  
EXECUTIVE COMMITTEE  
November 2, 2006**

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**MINUTES**

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**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE EXECUTIVE COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.**

The Executive Committee of the Southern California Association of Governments held its meeting at SCAG offices downtown Los Angeles. There was a quorum.

**Committee Members Present**

Supervisor Yvonne B. Burke	President
Supervisor Gary Ovitt	1 <sup>st</sup> President
Councilmember Richard Dixon	2 <sup>nd</sup> Vice President
Councilmember Toni Young	Immediate Past President /Chair, Administration
Councilmember Paul Bowlen	Chair, CEHD
Councilmember Dennis Washburn	Chair, EEC
Councilmember Harry Baldwin	Chair, TCC

**Others Present**

Chuck Bookhammer	Deputy, Supervisor Yvonne Burke
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**Staff Present**

Mark Pisano, Executive Director  
Jim Gosnell, Deputy Executive Director  
Wayne Moore, Chief Financial Officer  
Colin Lennard, General Counsel  
Karen Tachiki, Chief Counsel  
Hasan Ikhata, Director, Planning & Policy  
Keith Killough, Director Information Services  
Judy Owens, Sr. Administrative Assistant  
Shelia Stewart, Executive Assistant

**1.0 CALL TO ORDER**

The meeting was called to order by President Yvonne Burke at 8:00 a.m.

Executive Committee Minutes – Nov 6, 2006  
Doc # 129904 v1  
Prepared by: A.Madrigal-Muñoz  
12/05/06

## **2.0 PUBLIC COMMENT PERIOD**

There were no comments.

## **3.0 DISCUSSION/ACTION ITEMS**

### **3.1 Approval Items**

#### **3.1.1 Minutes of October 5, 2006**

MOTION was made (Young) to approve the minutes. Motion was SECONDED (Ovitt) and UNANIMOUSLY APPROVED.

#### **3.1.2 RHNA Pilot Legislation**

Karen Tachiki, Chief Counsel, stated that the report presented in the agenda was the latest version of the RHNA Pilot Program legislation currently circulating. She reported that a meeting was held in early October with the stakeholders. The League drafted language which SCAG has slightly modified and forwarded to the stakeholders for review and comment.

Ms. Tachiki noted that there were no substantive changes to the Pilot Program. However, there were two clarifications regarding the appeal process as well as the role of air quality in the Regional Council's final RHNA determination. She stated that today's action is to seek authorization to move forward with introduction of the legislation.

There was a consensus of the Executive Committee to defer action until the CEHD committee present their recommendations to the Regional Council.

MOTION was made (Young) to defer action until the CEHD committee presented their recommendations to the Regional Council. Motion was SECONDED (Bowlen) and UNANIMOUSLY APPROVED.

## **4.0 PRESIDENT'S REPORT**

### **4.1 Testimony to State Senate Transportation and Housing Committee**

President Burke stated that she presented testimony to the Senate Transportation and Housing Committee on behalf of SCAG. She stated that Senator Lowenthal was very supportive and agreed to carry legislation on behalf of SCAG regarding RHNA efforts.

She thanked the Senator for his efforts and willingness to provide a vehicle in helping SCAG move forward on the RHNA legislation.

President Burke announced that she has asked Colin Lennard to prepare a draft policy that would address a consistent way for Regional Council members to deal with inquiries from staff. The Executive Committee did not want a prohibition but felt that a policy should be instituted regarding inquiries submitted to members.

## **5.0 REVIEW OF REGIONAL COUNCIL AGENDA**

### **5.1 Approval of Executive Director's Performance Agreement**

It was requested that the Executive Director reformat the Performance Agreement as well as incorporate amendments and modifications to the agreement and bring it back in December for further discussion.

President Burke also noted her concern over the general quality of reports and presentations that she was getting. As examples she cited poor writing and improper grammar.

## **6.0 EXECUTIVE DIRECTOR'S REPORT**

Mark Pisano announced that a SCAG staff retreat will be held on November 7, 2006. He stated that the purpose of the retreat is to focus on the implementation of the continuous improvement program, training and overall decentralization of budget and decision making within the organization.

In October, Mr. Pisano participated in a conference sponsored by the California Foundation for the Economy and the Environment on Water. Members from the Governor's office, eighteen legislators, and all the water districts attended this conference.

He informed the council that this conference realized the need of the Integrated Water Management Planning activities to be integrated with the Blueprint planning efforts occurring within regions, and to establish policies. Another conclusion of the conference was the realization of the need to look to a different funding structure for water, and the need to implement a program in which the users and beneficiaries of water quality are able to pay for their benefit.

## **7.0 CLOSED SESSION**

*A closed session will be held only if necessary to report significant developments or to take required actions.*

7.1 Ratification of Executive Committee Report  
on Performance Evaluation of the Executive  
Director Pursuant to Government Code §54957(b)(1)

Colin Lennard, General Council, stated that pursuant §54957(b)(1) the Regional Council will enter into closed session.

MOTION was made (Young) to enter into closed session.  
Motion was SECONDED (Baldwin) and UNANIMOUSLY  
approved.

Back in open session it was stated that there was nothing to report from closed session and the matter would be forwarded to the Regional Council.

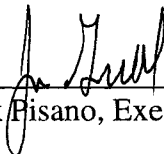
8.0 EXECUTIVE COMMITTEE REPORT

8.1 Recommend Salary and Compensation for the Executive Director

There was nothing to report.

9.0 ADJOURNMENT

There being no further business the Executive Committee adjourned at 9:05 a.m.  
The next meeting will be held on December 14, 2006 at SCAG offices in downtown Los Angeles.

  
\_\_\_\_\_  
Mark Pisano, Executive Director

# REPORT

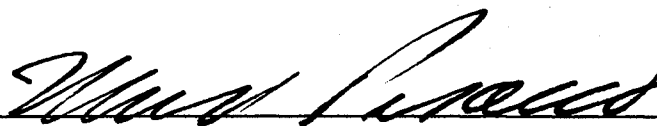
**DATE:** December 14, 2006

**TO:** The Regional Council  
Community, Economic and Human Development (CEHD) Committee

**FROM:** Jeffrey S. Dunn, Government Affairs Analyst

**SUBJECT:** RHNA Pilot Program Legislative Language

**EXECUTIVE DIRECTOR'S APPROVAL:**



## RECOMMENDED ACTION:

Review the approved RHNA Pilot Program language and direct staff to continue efforts to move the bill through the legislative process.

## BACKGROUND:

At the November Meeting, the Community, Economic and Human Development (CEHD) Committee and the Regional Council approved the attached RHNA Pilot Program legislative language and directed staff to move forward with introducing the language into a legislative bill. Accordingly, staff has referred the bill to the legislative author for preparation into proper legislative form and for introduction on the first day of the legislative session, December 4, 2006.

The CEHD further directed staff to provide a comparison of changes from the RHNA Pilot Program language approved by the CEHD at its November meeting, and previous versions of the Pilot Program language. These changes are summarized in the attached matrix. (See Attachment A).

The language in the approved form represents over four months of intense negotiations among statewide housing stakeholders, including CSAC, the California League of Cities, Mark Stivers of the Senate Transportation Committee staff, State HCD staff, SCAG staff, housing advocacy groups, the California Business Industry Association, and others. As a result of these meetings which involved discussion of many proposed revisions to the Pilot Program language, staff concludes that the current approved form of the Pilot Program satisfies the objectives of the original Pilot Program reform elements as accepted by the CEHD and the Regional Council, and would be in a good position to become law. These reform elements include:

- Use of the same growth forecast for regional plans, involving transportation, housing and air quality planning;
- Expanded use of AB 2158 factors into the deliberation of the growth forecast and in the appeals process; and
- Limitation of the appeals process to one round after substantial local input opportunity.

# REPORT

Subsequent to the November meeting, additional suggestions were received from the League and Housing Advocates. The staff has no objection to the proposed changes as they are editorial and clarifying in nature. Attached is a copy of the language approved by the Regional Council on November 2, 2006 (Attachment B) and a copy of the language with editorial changes offered by the League and Housing Advocates (Attachment C).

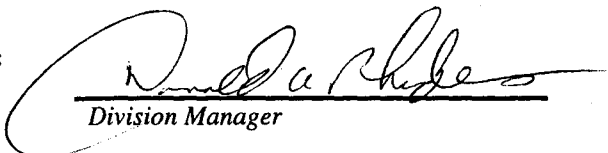
Since the July action on the draft pilot program language, staff has proceeded to implement the fourth cycle RHNA process as directed by the Regional Council, in accordance with the draft pilot program. Adoption of the RHNA Pilot Program legislation is required to achieve the following objectives consistent with the course of action already undertaken:

1. To authorize the streamlined RHNA process already underway;
2. To justify utilization of transportation funds for the integration of the housing and transportation planning processes; and
3. To complete the RHNA portion of the housing element update process so that the cities of the SCAG region can prepare and submit their Housing Elements on time.


## FISCAL IMPACT:

No fiscal impact upon SCAG.

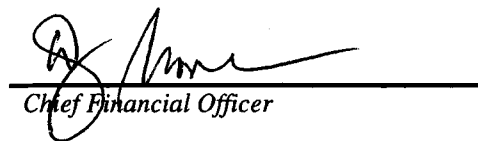
Reviewed by:

  
Division Manager

Reviewed by:

  
Department Director

Reviewed by:

  
Chief Financial Officer



**Comparison of Major Provisions  
of Current SCAG Pilot Program Language  
And Staff Language Approved by Regional Council  
November 2, 2006**

July 6 Language	Pilot Language as of August 28	Pilot Language as of Nov 2 (approved by RC)
Integrated long-term growth forecast in 5-year increments, consisting of pop., emply., hshlds, to be considered to arrive at the regional housing need.	<b>Provision Remains.</b> Integrated long-term growth forecast in 5-year increments, consisting of pop., emply., & hshlds, to be considered to arrive at regional house need.	<b>No Change from Aug. 28 language.</b>
Provides for the use of 'other strategies' in addition to the RTP growth forecasting process, that SCAG may use to integrate housing planning w/ projected pop. growth and transportation.	<b>Provision Removed.</b> Specific reference to 'other strategies' that SCAG may use to integrate transportation and housing planning is removed.	<b>No Change from Aug. 28 language.</b>
SCAG shall initiate and provide regional housing need number, which shall be subject to review by a Panel, as specified, if the population forecast from SCAG differs from DOF by more that 4%.	<b>Provision Removed.</b> SCAG shall transmit to HCD the growth forecast and HCD shall determine the regional housing need in accordance with provisions of existing law.	<b>No Change from Aug. 28 language.</b>
No survey of local jurisdictions. SCAG conducts a series of 14 workshops to consider '2158' factors.	<b>Provision Remains, procedure is changed.</b> No survey. SCAG will conduct one workshop, w/ advance notice to local jurisdictions & opportunity for their input, to arrive at the methodology SCAG will use to consider '2158' factors, followed by 14 public workshops to adopt draft housing allocation plan. SCAG must show how the information/methodology was considered to arrive at regional housing need.	<b>No Change from Aug. 28 language.</b>

Provides for one appeal only.	<b>Provision remains.</b> Each city or county can appeal once based upon a challenge to the methodology or application of the factors.	<b>Minor Change from Aug. 28.</b> Specifically adds “unforeseen change in circumstances” as another basis of appeals (GC § 65584.05 (d)(1) of existing state law).
Trade and transfer permitted.	<b>Provision remains.</b> Trade and transfer is permitted pursuant to authority under existing law, GC § 65584.05 (g).	<b>Provision remains. No change from Aug. 28 language.</b>
Trade outside of subregion permitted.	<b>Provision remains.</b> Pursuant to authority in existing law requiring that total regional housing need is maintained, GC § 65584.05 (g).	<b>Provision remains. No change from Aug. 28 language.</b>
Subregional delegation permitted, provided that subregional entities agree to maintain the <u>subregional total of housing need</u> throughout the process.	<b>Provision remains, but is changed.</b> Subregional delegation permitted, provided that subregional entity agrees in writing and SCAG ensures that the <u>total regional housing need</u> is maintained.	<b>No Change from Aug. 28 language.</b>
Approval of final housing allocation plan required findings that plan is consistent with RTP and will not significantly impact mobility and air quality.	<b>Provision changed.</b> Adoption of plan required findings: (1) consistency with housing law (2) consistency with RTP (3) takes into account information provided by SCAG members (4) housing distribution will not impact air quality plan (5) total regional housing need is maintained.	<b>Minor change from Aug 28.</b> Adoption of plan requires same findings save that plan must consistent with RTP and air quality conformity finding of RTP.

**APPROVED RHNA PILOT PROGRAM LANGUAGE  
FOR THE SCAG REGION  
NOVEMBER 2, 2006**

**65584.08.** For the fourth revision of the housing element pursuant to Section 65588 within the region of the Southern California Association of Governments, the existing and projected need for housing for the region as a whole and each jurisdiction within the region shall be determined according to the provisions of this article except as those provisions are specifically modified by this section.

- (a) The existing and projected housing need for the region shall be determined in the following manner:
  - (1) The Southern California Association of Governments shall develop an integrated long-term growth forecast by five year increments. The growth forecast is not a Regional Housing Needs Allocation Plan.
  - (2) The forecast shall consist of three major variables: population, employment, and households, by geographic area throughout the region.
  - (3) The Southern California Association of Governments shall convert households into housing units using replacement rates from the Department of Finance, and county level vacancy rates from the most recent census, by weighing vacancy rates of for-sale and for-rent units.
  - (4) The Southern California Association of Governments shall transmit the forecast to the department with the following variables: population, employment, households, and housing units.
  - (5) Upon receiving the forecast, the department shall determine the existing and projected housing need for the region in accordance with paragraph (2) of subdivision (c) and with subdivision (d) of Section 65584.01.
- (b) Instead of the survey of each of its member jurisdiction pursuant to subdivision (b) of Section 65584.04, the Southern California Association of Governments shall conduct a public workshop. At least 30 days prior to the public workshop, the Southern California Association of Governments shall notify affected jurisdictions about the manner in which it proposes to consider the factors specified in subdivision (d) of Section 65584.04 in the housing allocation process. Local governments may submit information about the factors before the workshop for the Southern California Association of Governments' consideration and incorporation into the discussion of the methodology at the workshop.

- (c) The Southern California Association of Governments shall delegate development of the housing need allocation plan to the subregional entities, provided the Southern California Association of Governments and the subregional entities agree in writing and provided the Southern California Association of Governments ensures that the total regional housing need is maintained.
- (d) The Southern California Association of Governments shall conduct a minimum of 14 public workshops to discuss the regional growth forecast and the factors upon which housing needs are proposed to be allocated to subregions, or, in absence of a subregion, to individual jurisdictions. The workshops will also present opportunities for jurisdictions and members of the public or relevant stakeholders to provide information to the Southern California Association of Governments on local conditions and factors. Following the workshops, concurrent with the adoption of its draft housing allocation plan, the Southern California Association of Governments shall describe the following:
  - (1) The manner in which the plan is consistent with the housing, employment, transportation, and environmental needs of the region.
  - (2) The manner in which the methodology that produced the plan complies with subdivision (e) of Section 65584.04.
  - (3) The manner in which the information received in the public workshops was considered in the methodology used to allocate the regional housing need.
- (e) Both the methodology and allocation process shall consider the factors identified in subdivision (d) of Section 65584.04 and promote the goals and objectives of subdivision (d) of Section 65584 and the regional transportation plan growth forecasting process to integrate housing planning with projected population growth and transportation. The Southern California Association of Governments shall complete the final housing need allocation plan 12 months from the date that the department sends a final written determination of the region's existing and projected housing need. It is the intent of the Legislature that the housing element update deadlines as required in Section 65588 and as modified by the department pursuant to paragraph (2) of subdivision (a) of Section 65584.02 will not be extended, but the

Southern Association of Governments shall submit a report to the Legislature on March 30, 2007, describing the progress it has made in completing the final need allocation plan.

- (f) A city or county may appeal its draft allocation to the Southern California Association of Governments or delegate subregion, pursuant to subdivision (e) of Section 65584.05 based upon any of the following criteria: (1) The Southern California Association of Governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) or a significant and unforeseen change in circumstances has occurred in the local jurisdiction that merits a revision of the information submitted pursuant to that paragraph; (2) The Southern California Association of Governments or delegate subregion, as applicable, failed to determine its share of the regional housing need in accordance with the information described in, and the methodology established pursuant to paragraph (d); (3) the Southern California Association of Governments or delegate subregion, as applicable, failed to determine its share of the regional housing need in accordance with the factors identified in subdivision (d) of Section 65585.04 but the Southern California Association of Governments shall not be required to entertain requests for revision pursuant to subdivisions (b) and (c) of Section 65584.05. A city or county shall not be allowed to file more than one appeal, and no appeals may be filed relating to any adjustments made pursuant to subdivision (g) of Section 65584.05. The final allocation plan shall be subject to the provisions of subdivision (h) of Section 65584.05.
- (g) The Southern California Association of Governments' approval of the final housing need allocation plan shall include information which supports each of the following:
  - (1) The plan is consistent with the objectives of this section and article.
  - (2) The plan is consistent with the regional transportation plan and the air quality conformity finding of the plan.
  - (3) The plan takes into account the information provided to the Southern California Association of Governments by its member jurisdictions pursuant to subdivisions (b) and (d).
  - (4) The total regional housing need is maintained.

- (h) This section shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date.

**PROPOSED RHNA PILOT PROGRAM LANGUAGE  
FOR THE SCAG REGION – FINAL DRAFT  
December 2006/January 2007**

**65584.08.** For the fourth revision of the housing element pursuant to Section 65588 within the region of the Southern California Association of Governments, the existing and projected need for housing for the region as a whole and each jurisdiction within the region shall be determined according to the provisions of this article except as those provisions are specifically modified by this section.

- (a) The existing and projected housing need for the region shall be determined in the following manner:
  - (1) The Southern California Association of Governments shall develop an integrated long-term growth forecast by five year increments. The growth forecast is not a Regional Housing Needs Allocation Plan.
  - (2) The forecast shall consist of three major variables: population, employment, and households, by geographic area throughout the region.
  - (3) The Southern California Association of Governments shall convert households into housing units using replacement rates from the Department of Finance, and county level vacancy rates from the most recent census, by weighing vacancy rates of for-sale and for-rent units.
  - (4) The Southern California Association of Governments shall transmit the forecast to the department with the following variables: population, employment, households, and housing units.
  - (5) Upon receiving the forecast, the department shall determine the existing and projected housing need for the region in accordance with paragraph (2) of subdivision (c) and with subdivision (d) of Section 65584.01.
- (b) Instead of the survey of each of its member jurisdiction pursuant to subdivision (b) of Section 65584.04, the Southern California Association of Governments shall conduct a public workshop. At least 30 days prior to the public workshop, the Southern California Association of Governments shall notify affected jurisdictions about the manner in which it proposes to consider the factors specified in subdivision (d) of Section 65584.04 in the housing allocation process. Local governments may submit information about the factors before the workshop for the Southern California Association of Governments' consideration and incorporation into the discussion of the methodology at the workshop.

- (c) The Southern California Association of Governments shall delegate development of the housing need allocation plan to the subregional entities, provided the Southern California Association of Governments and the subregional entities agree in writing and provided the Southern California Association of Governments ensures that the total regional housing need is maintained.
- (d) The Southern California Association of Governments shall conduct a minimum of 14 public workshops to discuss the regional growth forecast and the factors upon which housing needs are proposed to be allocated to subregions, or, in absence of a subregion, to individual jurisdictions. The workshops will also present opportunities for jurisdictions and members of the public or relevant stakeholders to provide information to the Southern California Association of Governments on local conditions and factors. Following the workshops, concurrent with the adoption of its draft housing allocation plan, the Southern California Association of Governments shall describe the following:
  - (1) The manner in which the plan is consistent with the housing, employment, transportation, and environmental needs of the region.
  - (2) The manner in which the methodology that produced the plan complies with subdivision (e) of Section 65584.04.
  - (3) The manner in which the information received in the public workshops was considered in the methodology used to allocate the regional housing need.
- (e) Both the methodology and allocation process shall consider the factors identified in subdivision (d) of Section 65584.04 and shall be consistent with and promote the goals and objectives of subdivision (d) of Section 65584 and the regional transportation plan growth forecasting process to integrate housing planning with projected population growth and transportation. The Southern California Association of Governments shall complete the final housing need allocation plan 12 months from the date that the department sends a final written determination of the region's existing and projected housing need. It is the intent of the Legislature that the housing element update deadlines as required in Section 65588 and as modified by the department pursuant to paragraph (2) of subdivision (a) of Section 65584.02



will not be extended. The Southern Association of Governments shall submit a report to the Legislature on March 30, 2007, describing the progress it has made in completing the final need allocation plan.

- (f) A city or county may appeal its draft allocation to the Southern California Association of Governments or delegate subregion, pursuant to subdivision (e) of Section 65584.05 based upon any of the following criteria: (1) The Southern California Association of Governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) or a significant and unforeseen change in circumstances has occurred in the local jurisdiction that merits a revision of the information submitted pursuant to that paragraph; (2) The Southern California Association of Governments or delegate subregion, as applicable, failed to determine its share of the regional housing need in accordance with the information described in, and the methodology established pursuant to paragraph (d); (3) the Southern California Association of Governments or delegate subregion, as applicable, failed to determine its share of the regional housing need in accordance with the factors identified in subdivision (d) of Section 65585.04 but the Southern California Association of Governments shall not be required to entertain requests for revision pursuant to subdivisions (b) and (c) of Section 65584.05. A city or county shall not be allowed to file more than one appeal, and no appeals may be filed relating to any adjustments made pursuant to subdivision (g) of Section 65584.05. The final allocation plan shall be subject to the provisions of subdivision (h) of Section 65584.05.

- (g) The resolution adopted by the Southern California Association of Governments' approving the final housing need allocation plan shall include the following

- (1) The plan is consistent with the objectives of this section and article.
- (2) The plan is consistent with the regional transportation plan and the air quality conformity finding of the plan.
- (3) The plan takes into account the information provided to the Southern California Association of Governments by its member jurisdictions pursuant to subdivisions (b) and (d).
- (4) The total regional housing need is maintained.

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- (h) This section shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date.

|

# REPORT

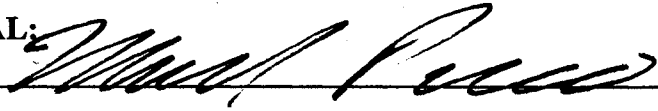
**DATE:** November 16, 2006

**TO:** Administration Committee  
Regional Council  
Wayne Moore, CFO

**FROM:** Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov

**SUBJECT:** RHNA Budget Report

**EXECUTIVE DIRECTOR'S APPROVAL:**



## RECOMMENDED ACTION:

Approve the use of an additional \$200,000 in General Funds to continue funding the Regional Housing Needs Allocation project.

## BACKGROUND:

At the September Regional Council meeting, \$100,000 in General Funds from the current fiscal year budget was reallocated to fund the RHNA project through December 2006. As of the payroll period ending November 11, 2006, \$146,000 in General funds had been expended on the RHNA project.

This current budget request includes estimated project costs for work related to finalizing the RHNA methodology and preparing the Draft Allocation Plan. This process includes the distribution of the housing allocation numbers to subregions who take delegation and to the cities in the subregions that do not take delegation. The process also includes work related to addressing inquiries by cities regarding housing allocations in an effort to mitigate potential appeals. Our budget projections beyond this process are predicated upon the number and nature of appeals that result thereafter. The current project plan has this process being completed in March 2007.

From a budgetary viewpoint, this is a critical period because appeal hearings are projected to occur in mid-April 2007. Staff costs relating to appeals, including in-house and outside counsel costs to provide advice regarding appeals, will drive the magnitude of the required General Fund budget for RHNA. The extent that staff can mitigate potential appeals will be critical in meeting the target budget of \$500,000 for fiscal year 2006. If there are no appeals, the \$500,000 budget target can be met. If, for example, 20% of cities pursue appeals, the additional costs could be between \$150,000 and \$200,000 in fiscal year 2006, and \$50,000 to \$100,000 in fiscal year 2007.

# REPORT

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## FISCAL IMPACT:

All the Funds are included in the current year's appropriated budget.

Reviewed by:

  
\_\_\_\_\_  
Chief Financial Officer

# **Fulbright & Jaworski I.L.P.**

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## **MEMORANDUM**

**TO:** Executive Committee  
Administrative Committee  
Regional Council

**FROM:** Colin Lennard, General Counsel

**DATE:** December 1, 2006

**RE:** Policy Regarding Staff Communications

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Pursuant to the request of the Executive Committee, I have been asked to present to the Administrative Committee and the Regional Council, a draft policy for members of the Regional Council and Policy Committees in the event they are approached by any SCAG staff member with complaints, concerns, or issues regarding SCAG personnel issues, SCAG policy positions adopted or proposed by SCAG management, or issues concerning other staff members.

The attached proposed policy addresses the fact that there exists no policy at present and will provide a consistent approach and response to all staff member's communications to individual members of the Regional Council and Policy Committees.

This policy is in no way intended to interfere with or prevent individual staff members from exercising their right to contact or communicate with individual members of the Regional Council or Policy Committees.

**SCAG POLICY RELATING TO  
INDIVIDUAL STAFF MEMBERS COMMUNICATIONS  
WITH THE REGIONAL COUNCIL OR POLICY COMMITTEES**

In the event any member of the SCAG Regional Council, Administrative Committee or Policy Committee receives a communication from a SCAG staff member (whether orally or in writing) setting forth a complaint about SCAG management or other staff member(s), or stating a concern regarding personnel or other policies, procedures, or actions taken by SCAG management, the member shall refer the matter in writing directly to the Executive Director and the Human Resources Manager for investigation and corrective action if necessary, with a copy to the President. The Executive Director and the Human Resources Manager shall investigate the issue and report the results of the investigation and any proposed corrective action to the member and the President within 10 days of receipt of the referral.

Notwithstanding the foregoing, if the concern raised by the staff member involves a matter relating to the Executive Director or the Human Resources Manager personally, the member may refer the issue directly to the President and the Executive Committee which shall investigate the matter and, after consulting with counsel, decide the corrective action to be taken, if any, and report the results of the investigation to the Regional Council.

# MEMO

**DATE:** December 14, 2006

**TO:** Executive Committee  
Regional Council

**FROM:** Mark A. Pisano, Executive Director  
[pisano@scag.ca.gov](mailto:pisano@scag.ca.gov)

**SUBJECT:** Performance Agreement

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The Executive Committee provided comments and suggested changes to my 2006/2007 Performance Agreement at the November 2006 meeting. I have incorporated the Executive Committee's comments and am submitting my updated agreement for your review and approval.

The Performance Agreement is a foundation for the work that is performed for me and the agreements for each staff member of the agency. Additionally, they are the basis for the mid-year and annual evaluation process for me and the staff. The mid-year process is currently underway.

**Executive Director**  
**Performance Agreement**  
**July 1, 2006 - June 30, 2007**

**Leadership, Vision and Progress which promote economic growth, personal well being, and livable communities for all Southern California.**

Last year the Regional Council set out guidance for the current planning cycle. That guidance was reflected in our performance agreements last year. Most of the work activities will continue this year with some modifications or additions which are reflected in my agreement for this year.

Each member of the staff will describe how their performance agreement contributes either directly by producing outcomes that achieves the mission or indirectly by developing inputs that help support the mission. Additionally, our agreements reflect the organization's Strategic Plan adopted in November 2002 and amended February 2004. A key objective of the Strategic Plan is that SCAG be the pre-eminent regional institution for the region, thus SCAG will strive for excellence in all our efforts and will develop performance measures that will measure our contributions to our Mission. We will also hold ourselves accountable to these performance measures in our evaluation process.

***I. Develop long-range regional plans and strategies that provide for efficient movement of people, goods and information; enhance economic growth and international trade; and improve the environment and quality of life.***

A. Coordinate the Regional Housing Needs Assessment (RHNA) and the Regional Growth Forecast and incorporate this forecast into the Regional Transportation Plan (RTP) and the Regional Comprehensive Plan (RCP). Finalize the Draft RCP for all the categories identified on Page 10 of the Strategic Plan and prepare a draft EIR for the Plan. Each of the sections will follow the outcome and performance objective framework that we pioneered in the last RTP. We will develop a funding plan for the Regional Housing Needs Assessment.

B. Work with SCAG members, the Governor and the legislature to develop a CEQA process which uses regional integrated planning as the regional analysis for local plans and projects environmental analysis and review. In order to accomplish this I will take the lead in creating partnerships and seek funding from State and regional agencies that will be needed to integrate into existing SCAG responsibilities so that we can complete the draft RCP, i.e., habitat, water supply, water quality, solid waste, and energy chapters.

C. Review and revise the growth forecast using the progress we are making on the 2% Strategy and local input. Incorporate the growth forecast into the transportation plan, the air quality plan and the housing needs allocation. The Regional Transportation Plan will reflect all the changes required by SAFETEA-LU. The Air Quality Plan will require an attainment strategy for goods movement.



D. Continue corridor planning using the Regional Significant Transportation Investment Peer Review Group. The corridors under review are listed in the 2006/2007 OWP. A key element of our review will be the relationship between the corridors and the regional growth patterns described by the Compass Policy and the Regional Growth Forecast.

E. Transit Planning will focus on the land-use, housing and transit relationship as well as the increased efficiency that the 2% Strategy will create for transit productivity. We will also focus on the financial leverage that land-use can create for transit capital and operations.

F. Financial Planning will focus on developing a financially constrained RTP. Additionally, our financial planning will develop the finance section of the RCP.

**II. *Implement Plans by linking regional policies and incubator projects - Outlined in the Strategic Plan.***

A. Implement our Compass Blueprint Program through the guidance of the Compass Partnership, a public/private community advisory structure. The demonstration projects of the past year will be expanded to a critical mass of 30-50 cities and counties, as funding becomes available. We will assist these cities with our package of tools and our educational outreach program. I will take the lead in seeking State legislation providing for CEQA streamlining and financial assistance in the 2% Strategy area. We will use our Intergovernmental Review Program to assist on the tracking of 2% Strategy projects.

B. Develop a public/private framework agreement for the Regional Goods Movement Strategy that will finance both capital expansion and environmental/community impact mitigation. I will work with our local, regional, state and federal partners to develop a framework for an institutional structure that will implement appropriate financial structures and administer the EIS/EIR process.

C. I will assist in the formation of a high speed connector Joint Powers Agency starting with the Cities of LA and Ontario. Develop a plan to finance the system. We will complete Phase II feasibility study undertaken by Lockheed and the alternatives analysis undertaken jointly with our partners to be used as a part of the EIS/EIR.

D. I will work with our members, primarily the City of LA, to develop parameters for a regional aviation consortium and help the City of LA to develop an implementation strategy that is consistent with the regional aviation plan.

E. Bring forward a series of RTIP amendments that are financially constrained and conform to the Federal Clean Air Act and Transportation Conformity requirements. The TIP will also be brought into line with SAFETEA-Lu requirements this year.

### ***III. Providing quality information services and analyses for the region.***

#### **A. Information Services**

1. Continue the development of the Integrated Regional Information System (IRIS) to facilitate data sharing for members, partners and internally. The IRIS will also be a useful tool to support regional planning, analysis and monitoring. This year the following is expected to be completed, identification of user requirements, the establishment of business needs and the business rules for the system.
2. Use the GIS databases that are part of IRIS in conjunction with SCAG's Interactive Atlas, Web Accessible Geographic System (WAG's), and LA LOTS. These tools can be used for planning, the EIR, the Compass 2% Strategy work, the growth forecast and the chapters of the RCP. These databases and tools will also provide input to our model development.
3. Complete the RTIP Database Program in coordination with the County Commissions and the state.
4. Finalize the revision of the Transportation Model by incorporating the Origination & Destination survey, the truck model, and the new zone system. The new model will be brought on line in time to do production runs for the RTP portion of the RCP and the RTIP. The model will also be used to serve as the basis for a performance based review of projects, programs, and strategies in the RTP and for the projects in the RTIP.
5. Accelerate the development of Transcad as an operational software tool for modeling support and conversion of the transportation model.
6. Complete the expansion of the existing LA LOTS interactive, web-based data program to provide coverage to the entire 6-county SCAG region.

#### **B. Regional Analysis**

1. Complete the State of the Region Report.
2. Work with the other regions in the State to develop the first State of the Regions Report. This statewide report will be based on a region by region report of key indicators that will provide a status of quality of life and personal well-being in California. It is being done in conjunction with the Business, Transportation and Housing Agency (through Caltrans) and CalCog.
3. Complete the State of the Commute Report so that it can be used in the RTP and RTIP process.

***IV. Using an inclusive decision-making process that resolves conflicts and encourages trust.***

A. I will ensure timely, coordinated and accurate support for the Regional Council, Committees and task forces. Continue to improve upon the agenda process improvements that were started this year. Develop a standardized format to provide options and alternatives analysis in staff submittals.

B. Support the Communications and Membership Committee in development and implementation of a regional leadership program.

C. I and key staff will continue to inform our members of the benefits of SCAG as part of our commitment to retain, engage and proactively interact with our members. One tool to achieve this is for me and key staff to attend City Manager's Meetings.

D. Recruit 5 new members.

E. I will work with the Communication and Membership Committee on the orientation process for new Regional Council Members.

F. Work with the Native American/Tribal Governments Partnership to facilitate participation in SCAG and outreach to members to facilitate full General Assembly participation by the Native American/Tribal Governments.

G. Continue to develop a Regional Consensus position in Washington and Sacramento by working with our Regional Partners and our members. Included in that initiative will be:

1. Developing consensus for projects to be funded by bond measures. Funding for transportation through Prop 42 protection, public/private financing mechanisms, and financing instruments for Compass Blueprint implementation; CEQA improvements both near term and long term; federal appropriations; and continued development of goods movement funding instruments.

2. Develop a consensus within the region to facilitate the passage of legislation to enable SCAG to undertake its RHNA Pilot Program.

3. Continue to work within the region and in other appropriate forums to develop administrative or legislative vehicles to permit the use of TIFIA financing for project development costs.

H. Proactively undertake education and information on all our programs, particularly, the existing RTP, Compass Blueprint, and using more of our staff to speak and represent the agency. (All Directors and Managers will be required to be part of the Agencies Speaker's Bureau).

I. Work with our neighboring regions (Kern COG, SANDAG, Santa Barbara COG and Baja California) to discuss common issues, update the Southern California mega region report, and establish the Southwest Alliance. I will take a lead role in developing the Major Metro initiative America 2050 national agenda.

J. Identify opportunities for more private sector involvement in SCAG activities.

***V. Creating an educational and work environment that cultivates creativity, initiative, and opportunity, both within the agency and the region.***

A. The agency strives to be a best in class performer in all aspects of our work. This can only be accomplished if I and the Management Team commit to a continuous improvement and refinement of Best Practices in all parts of the organization as essential and required. Our Administrative Committee will review and revise our Best Practice Report to make any changes that require policy approval.

B. We will continue with our internal auditing on both our subregions and ourselves to ensure that we are adhering to existing requirements and will work with subregions on resolving issues.

C. Our budgeting process will focus on developing a system of performance measures that will improve our ability to relate work performed to outcomes. The budget should reflect both a one-year and three-year budget and business plan as outlined in the Strategic Plan.

D. The performance measures that we develop will be used to supplement our quarterly progress reporting so that these reports are more useful to management and the Regional Council.

E. The Performance Measures developed will support and be integrated with our Pay for Performance System.

F. Develop a multi-year Information Technology Strategic Plan.

G. I will lead a continuous improvement effort that will focus on delegation of initiative and responsibility within the organization and implement a succession program. This will be accomplished by the mentoring, rotation, and training elements of the Professional Pathway Program that emphasize the leadership part of our Mission Statement. This will be our highest Human Resources priority for the year.

H. Complete the classification/compensation study of all job series in the organization.

I. Manage our cash flow to minimize the use of the line of credit.

J. Reorganizations in personnel should be presented prospectively for information purposes to the Executive and Administration Committees.

DOC 129831